## **Exhibit E**



## Faulty Background Checks May Put UberX Passengers at Risk, Report Says

872 Share on Facebook Share Tweet on Twitter Share Share



IMAGE: SAURABH DAS/ASSOCIATED PRESS

## BY COLIN DAILEDA APR 29, 2014

Passengers who catch rides with UberX may not be in the safest of hands, according to a recent investigation conducted by NBC Chicago.

The news outlet found that UberX drivers with criminal pasts may have <u>slipped through the series of background checks</u> that the company says it runs on driver applicants.

According to its website, all Uber drivers are put through <u>county</u>, <u>multi-state and federal background checks</u>. That includes anyone who wants to drive for UberX, the cheapest service offered by the taxi-hailing app, in which drivers use their own vehicles instead of cabs or sleek black cars to pick up passengers.

## SEE ALSO: Lyft Expands, Passes Uber in Total U.S. Cities

But the NBC Chicago investigation showed that some UberX drivers who have had recent run-ins with the law may have slipped through those checks undetected.

The reporters monitored a California woman, Beverley Locke, who agreed to participate in the investigation, as she applied to be an <u>UberX driver</u>. Despite reportedly having been on probation for almost beating a woman to death in 2012, she was accepted in four weeks.

The investigation found a few other questionable cases, including an UberX driver in Chicago named Jigneshkumar Patel. He was hired despite a conviction for driving under the influence in 2012 and has since been accused of sexually

assaulting one of his passengers.

Uber declined to comment specifically on these two cases, but its background checks go back seven years into an applicant's history, according to the <u>site</u>.

Anyone who has been convicted of a sexual crime, violent crime, felony, property damage, theft, a hit-and-run, driving with a suspended or revoked license, driving over 100 miles-per-hour, driving on the wrong side of a divided highway or driving under the influence during that timeframe would, in theory, not be permitted to get behind the wheel for Uber in any capacity. The company also says it will not hire anyone caught driving without insurance in the three years prior to applying or who had their license suspended during the same period.

"Uber's industry-leading background checks help connect consumers with the safest ride on the road," Lane Kasselman, Uber's head of communications, told Mashable in an email. "Our driver partner background checks are more thorough than those of taxi in most cities and include county, state and federal screens going back seven years. We continue to improve and are always working hard to tighten our policies and processes to ensure that Uber remains the safest transportation option available."

In San Francisco, where Uber was founded, city-affiliated cab drivers also go through a background check. If applicants want to become drivers, according to the San Francisco Municipal Transportation Agency's <a href="website">website</a>, they must never have have committed a felony, any kind of fraud, violence against someone else, sexual assault, anything that could constitute "reckless disregard for public safety," two-or-more drug offenses or two or more DUI convictions five years prior to applying for a taxi license.

New York City cab drivers are also subject to <u>background checks</u>. Driver applicants there won't be accepted if they've been involved in <u>three or more traffic accidents</u> in the year prior to applying, or if they have failed a drug test during that period (the city also issues a drug test to anyone looking to become a driver). The Big Apple imposes a three-year ban on any applicant who has been committed theft, abuse, harassment and other crimes in the three years before they applied.

Despite Uber's stated safety policy, potential customers became wary when asked how they'd feel about letting a recent convict drive them around town.

"It depends on how long ago [the conviction] was," said Murad Abasov, a resident of New York City who recently moved from San Francisco. "But if it happened [a few] months before, I wouldn't take that person for a job like that."

Another New York City Uber rider, Victor Bekker, said he'd never thought about UberX safety until *Mashable* asked about it, but would want to know if his driver had a criminal past. His friend Sam Favata, who had never used Uber but knows about the <a href="app">app</a>, agreed, but said a criminal past shouldn't always prevent people from becoming UberX drivers.

"I kind of feel like you want to give people a chance in life," Favata said. "If you've made it six months as a safe Uber driver, you have to give them the benefit of the doubt."

Lauran Altmin, another Uber spokesperson, told NBC that the company "works hard" to make sure all drivers undergo thorough background checks, and that it had flagged 15% of driver applicants so far this year.

It is unclear from NBC Chicago's investigation how many UberX drivers with recent criminal pasts wind up becoming drivers. Uber operates its service in 35 countries and over 48 American cities, according to its website. Kasselman said UberX operates in over 40 cities across the United States.

Uber expanded its background check policy to include federal and county-level convictions in February, after a Chicago *Tribune* investigation uncovered a driver's felony burglary conviction.

Have something to add to this story? Share it in the comments.

**TOPICS:** APPS AND SOFTWARE, BACKGROUND CHECKS, CARS, TRAVEL, TRAVEL & LEISURE, UBER, UBERX, U.S., WORLD